



# NEWS RELEASE

CALIFORNIA SECRETARY OF STATE **BRUCE McPHERSON**

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## **Proposed Initiative Enters Circulation**

*Political Contributions and Expenditures by Corporations. Shareholder Consent Requirements. Limits and Penalties. Initiative Statute.*

SACRAMENTO, CA --- Secretary of State Bruce McPherson announced today that the proponent of a new initiative may begin collecting petition signatures.

The Attorney General's official title and summary is as follows:

### **POLITICAL CONTRIBUTIONS AND EXPENDITURES BY CORPORATIONS. SHAREHOLDER CONSENT REQUIREMENTS. LIMITS AND PENALTIES. INITIATIVE STATUTE.**

Prohibits corporations, as defined, from making political contributions or expenditures for political activities except with shareholders' prior informed consent by means of majority vote and reports to shareholders. Limits corporate political contributions and expenditures in any fiscal year to the same proportion as the percentage of shareholder votes that approved the expenditures. Imposes criminal penalties for violations by corporate officials and contribution recipients. Defines political activities as support or opposition of candidates, political parties, committees, issue advocacy or voter registration campaigns, ballot measures, or legislative causes.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: State enforcement costs potentially totaling a few hundred thousand dollars annually, partially offset by increased fine revenues.

The Secretary of State's tracking number for this measure is 1148 and the Attorney General's tracking number is SA2005RF0085.

The proponent, Lance H. Olson, of Olson Hagel & Fishburn, must collect 373,816 signatures of registered voters, equal to five percent of the total votes cast for governor in the 2002 gubernatorial election, in order to qualify the measure. The 150-day deadline to circulate petitions for this measure is December 30, 2005. The initiative proponent can be reached at 916-442-2952.